GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

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DEMAND AND SUPPLY OF PETROLEUM PRODUCTS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the gap between demand and supply of various petroleum products in the country as on date;

(b) the extent to which demand of such petroleum products are met, product-wise, from domestic production; and

(c) the steps taken by the Government to increase the domestic production of petroleum products to meet the present demand and also the future requirements ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a)to(c) : The details of demand, domestic production and surplus/deficit of major petroleum products for 2006-07 (Provisional) are given below :

(figures in Thousand Metric Tonnes)

Product	Demand	Production	Surplus/Deficit (+/-)
LPG	10855	8454	-2401
MS	9295	12536	3241
Naphtha	13784	18176	4392
SKO	9474	8621	-853
ATF	4008	7850	3842
HSD	42884	53676	10792
FO/LSHS	12578	15524	2946
All Products	119845	139969	20124

The country is self-sufficient on overall basis to meet the demand. However, there was shortfall in domestic availability in LPG and SKO during 2006-07. The shortfall in availability from domestic sources is met through imports.

As against the total installed capacity of 148.97 million metric tonnes per annum (MMTPA), an additional refining capacity of 92 MMTPA is expected to be added during the 11th Plan.

With the indigenous production of crude oil not keeping pace with the domestic requirements, the import dependence of crude oil has reached about 73% in 2006-07. Following steps are being taken to accelerate hydrocarbon exploration and production activities in the country to meet the growing demand :

i) Carving out and placing on offer more and more areas for exploration under various rounds of New Exploration Licensing Policy (NELP).

ii) Quicker development of discovered reserves for enabling commencement of production.

iii) Use of stimulation techniques for increasing production from existing fields.

iv) Application of Enhanced Oil Recovery (EOR)/ Improved Oil Recovery (IOR) techniques for increasing recovery factor from existing fields.

v) Arresting decline from ageing fields.

vi) Acquisition of exploration acreages and producing properties overseas to bring in equity oil.

vii) Substitution of oil through use of non-conventional sources of energy such as bio-diesel, ethanol, etc.